

*Advising the Congress on Medicare issues*

# Producing comparative effectiveness information

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April 9, 2008

# Overview

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- Public and private health expenditures are substantial and growing
- Little information available that compares clinical effectiveness of alternate healthcare services
- Many new services disseminate quickly into routine medical care with little or no basis for providers knowing whether they outperform existing treatments, and to what extent

# Previous work by Commission on comparative effectiveness

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- Recommended an independent entity sponsor and disseminate comparative-effectiveness information
- Entity would:
  - Be independent
  - Have a stable and secure source of funding
  - Produce objective information under a transparent process
  - Seek input on agenda items
  - Disseminate information to patients, providers, and payers
  - Have no role in making or recommending coverage or payment decisions

# Current analysis focuses on governance

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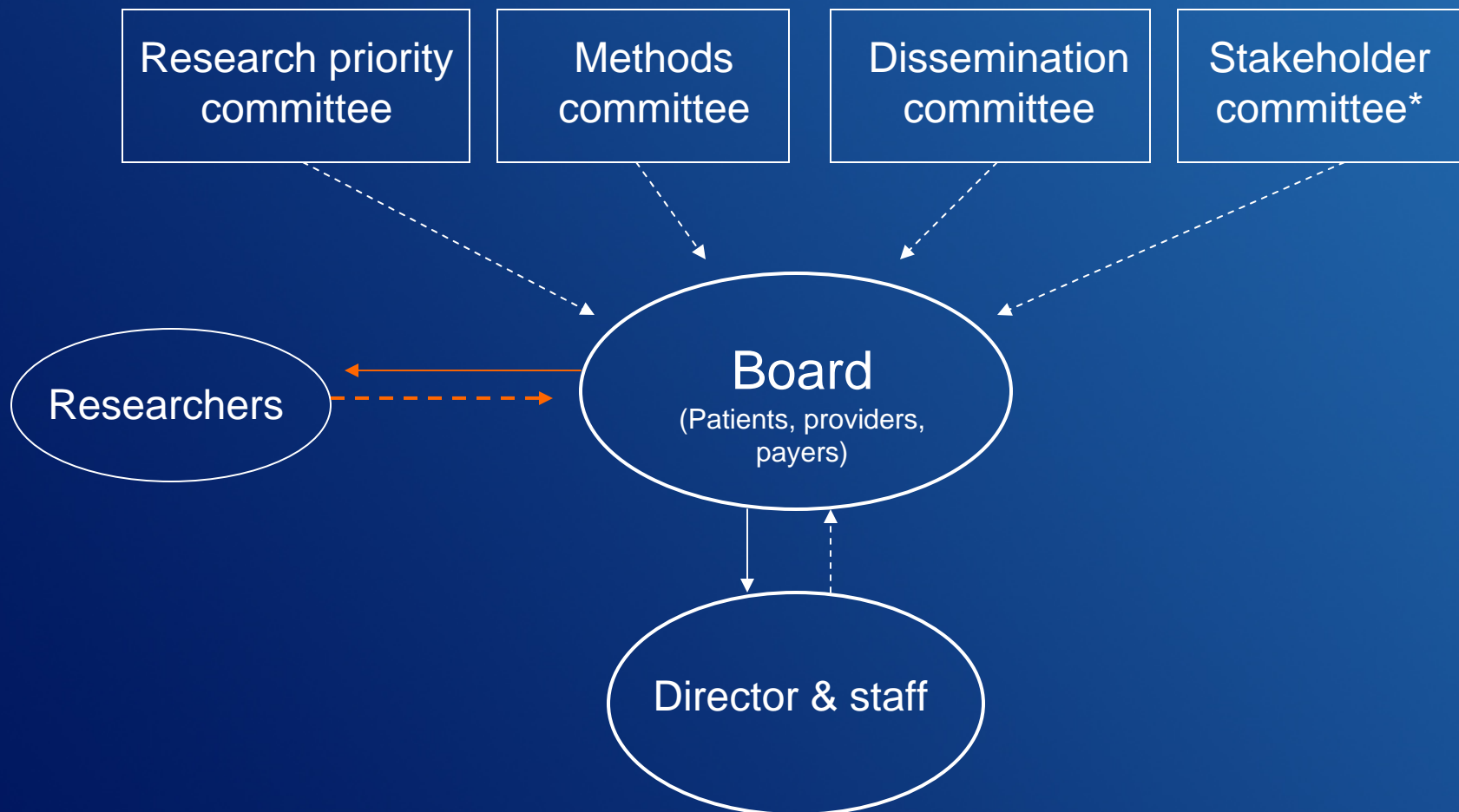
- Establishing a board
- Structuring a comparative-effectiveness entity
- Funding

# Establishing a comparative-effectiveness board

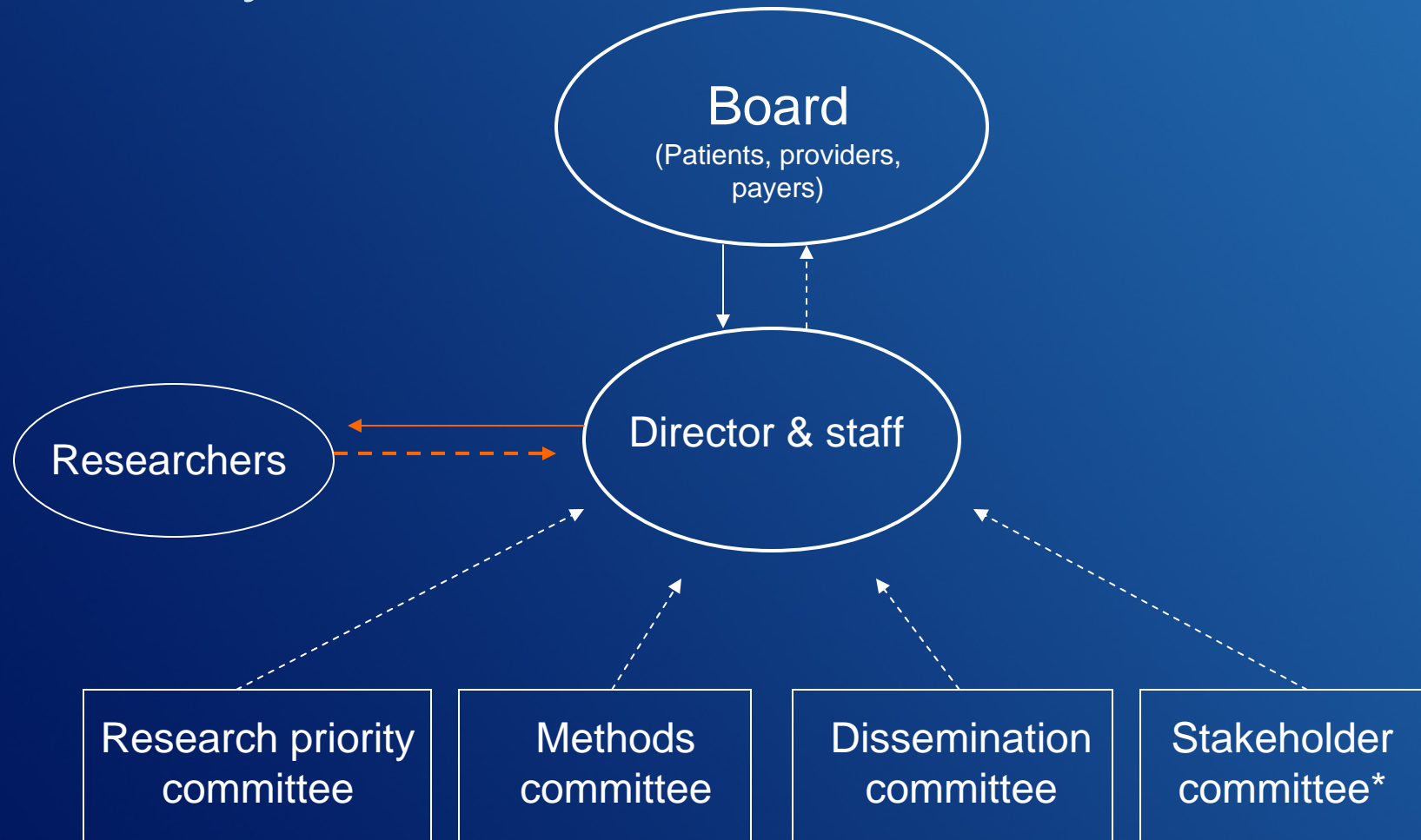
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- Participation by individuals from the public and private sector
- Level of involvement
  - Periodic guidance versus day-to-day oversight of research and communication activities
  - Part-time versus full-time commitment
- Conflicts of interest

# Full-time board provides day-to-day oversight of a comparative-effectiveness entity



# Part-time board provides periodic guidance of a comparative-effectiveness entity





# Other issues about establishing a board

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- Appointment process
- Duration of appointments
- Frequency and setting of meetings



# Structuring a comparative-effectiveness entity

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- Alternatives vary in their closeness to the federal government and private sector
  - FFRDC—private sector organization under contract to an HHS agency
  - Independent executive branch agency
  - Independent legislative branch agency
  - Congressionally-chartered nonprofit organization
- All options would have a board overseeing research activities

# Funding should be stable, public-private, and broad-based

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- Comparative effectiveness trust fund
  - Public-private
  - Broad-based
  - Stable and secure
- Examples of funding source:
  - Percentage of the Medicare Part A trust fund + levy on private sector organizations
  - General revenues

# For discussion

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- Establishing a board
- Structuring a comparative-effectiveness entity
- Funding